

Miami-Dade County Public Schools

giving our students the world

Superintendent of Schools
Alberto M. Carvalho

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September 25, 2012

Miami-Dade County School Board
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Dr. Marta Pérez
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The Honorable Edward MacDougall
Town of Cutler Bay Mayor
10720 Caribbean Boulevard, Suite 105
Cutler Bay, Florida 33189

Dear Mayor MacDougall:

Thank you for agreeing to share information regarding the campaign to ensure the modernization of school facilities of Miami-Dade County Public Schools. As a community leader, your words will have a great impact on the future of this initiative and our collective prosperity. The General Obligation Bond Referendum asks the voters of Miami-Dade County to invest in their schools by issuing \$1.2 billion worth of bonds to renovate facilities, upgrade technology, and enhance safety and security for the benefit of the children of this community.

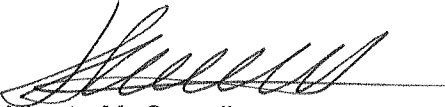
Attached to this letter you will find materials to assist you in informing the community about the General Obligation Bond. These include:

- General Obligation Bond Summary Points;
- A flyer regarding the 21st Century Bond Initiative; and
- Education Policy Briefing.

If you require additional information, please visit <http://bondsforschools.dadeschools.net>, which was created for the purpose of providing information about the Bond Referendum. At this site you can find a Community Economic Impact Study, prepared by the Washington Economics Group, a research study on the Impact of School Buildings on Learning, and an Estimated Tax Calculator.

Once again, I would like to express my appreciation for your assistance in this important effort. If you have any questions, please do not hesitate to contact Ms. Iraida Mendez-Cartaya, Assistant Superintendent, Intergovernmental Affairs, Grants Administration, and Community Engagement, at 305 995-1497.

Sincerely,


Alberto M. Carvalho
Superintendent of Schools

AMC:ga
L216

Attachments

General Obligation Bond Summary Points

(9/11/2012)

Overview

- The School Board and Florida Department of Education have approved a long term plan to modernize and provide educational technology upgrades to publically owned district buildings.
- On November 6, 2012, voters in Miami-Dade County will have the opportunity to decide whether to fund the projects through a \$1.2 billion General Obligation (GO) Bond.
- The state is not able to provide adequate school long-term capital funding for the current and future generations of Miami-Dade students. GO Bonds are the most common funding source for long-term capital needs and approval of such bonds is a local decision.

Facilities Needs

- Nearly one-half of the District's school buildings are over 40 years old, and more than one-third are at least 50 years old.
- This is a national problem that in Miami-Dade is more severe, due to state funding cut-backs and the more recent attention on complying with the Class Size Constitutional mandate and critical overcrowded conditions at our schools. Over the last 10 years 105,000 student stations have been created by building new schools
- Numerous studies have concluded that students in substandard school buildings, without technological capabilities, perform at lower levels than students in newer functional buildings.
- Enhancing the safety and security of school buildings is the number one priority and guiding principle of the new 2012 Bond Referendum. The lack of technology equity throughout the school system is another high priority for the Bond Referendum and will be addressed from the first year of implementation.
- The district will design and create more sustainable buildings with reduced long-term operating costs, adhering to LEED for Schools design standards.
- Students in modern facilities using the state of the art educational technology will be better prepared for the 21st Century Global Economy.

Oversight

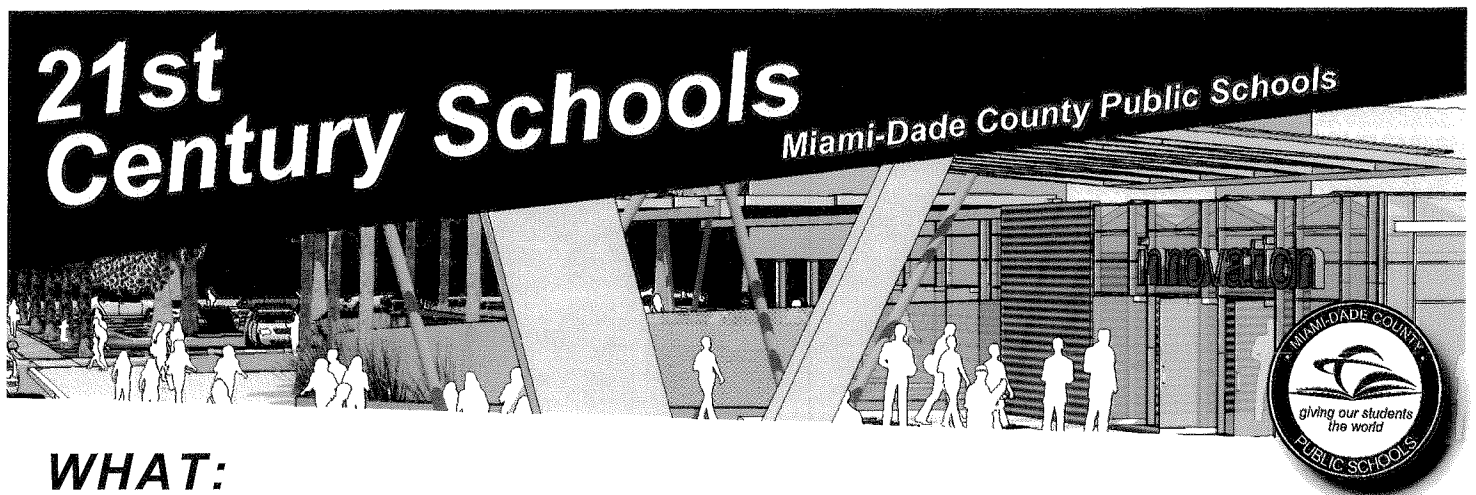
- Being sensitive to the burdens of local taxpayers the School Board has reduced the taxes that the School Board controls; the total taxes have been reduced by \$195 million, since 2008.
- To provide transparency a citizen's advisory and oversight committee will be established. The committee will ensure the timely and equitable distribution of projects and jobs to the community.

Effect on homeowners and the Local Economy

- First year (2013) estimated impact to homeowners with a taxable value (less applicable exemptions) of \$100,000 will pay approximately \$5 annually or \$0.45 monthly; see Estimated Tax Calculator on web site to determine individual estimated impact.
- As the 1988 Bonds are paid off, the new bonds to be authorized on November 6, 2012 will replace them.
- Washington Economics Group, Inc., in a recent economic study, has concluded that:
 - The modernization of school facilities and improvement to technology capabilities yield a greater Return on Investment to taxpayers than the cost of servicing the debt.
 - Over 9,000 jobs will be created in the first 3 years and over 18,000 sustainable jobs during the GO Bond course of construction.
 - There will be recurring benefits from increased student performance that will result in a projected increase in the number of students who will attain higher education levels, which will lead to higher average earnings by Miami-Dade County Public Schools alumni.
 - Postponing the GOB will carry significant added costs to the taxpayers since construction costs are off their peak and interest rates are at historical lows.
- All communities in Miami-Dade will benefit as the GO Bonds will provide funding upfront from investors outside of Miami-Dade in the financial markets and 100% of that money will be reinvested in the local economy.

For more information please visit the website:
<http://bondsforschools.dadeschools.net>





WHAT:

Miami-Dade County Public Schools will ask county voters to invest in their schools by approving the issuance of a \$1.2 billion General Obligation (GO) Bond for renovating facilities, updating technology, building school replacements, expanding student capacity, and enhancing facility safety.

WHY:

Inequity exists between the instructional experience of students in newer schools and those in outdated buildings. To take full advantage of today's technology and digital learning environments, aging schools must be replaced or updated to give all students access to cutting-edge academic programming with modern and safe learning environments. Common sense and numerous studies have concluded that students learn better in upgraded or newer facilities with advanced technology, better air quality and less noise.

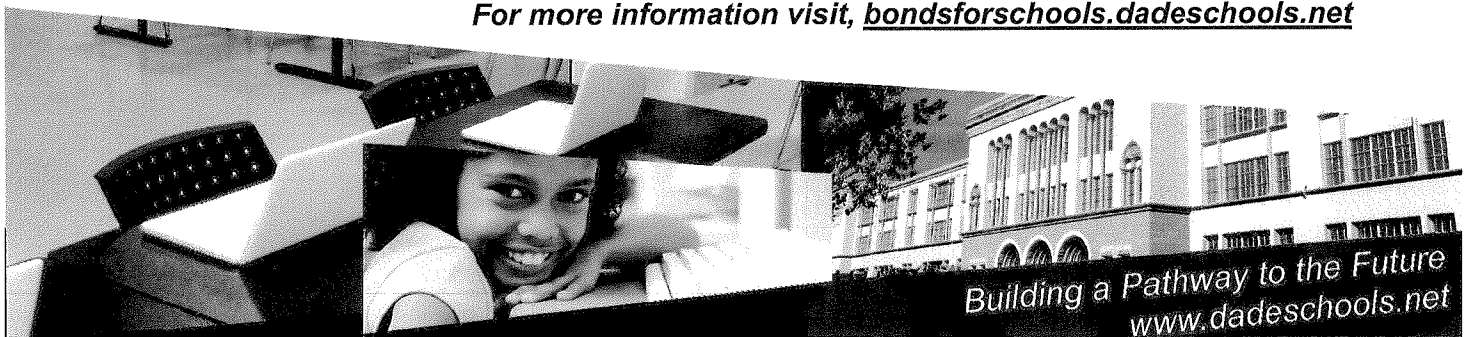
WHY NOW:

Nearly half of the District's school buildings are over 40 years old with more than one-third at least 50 years old. Interest rates are at an all-time low and local building costs are way down. This bond issue will allow for the District's long-term capital needs to be repaid over time, with minimal impact to homeowners. Investing in school infrastructure projects now will yield a greater return to taxpayers and will create jobs in the community. The proposed \$1.2 billion bond referendum is projected to have a minimal impact on the homeowner of \$5 annually per \$100,000 of taxable property value in the first year; and a projected average of \$27 annually per \$100,000 taxable property value during the term of the bond. The long-term benefits of this 21st Century Schools Initiative far outweigh the cost to homeowners and will create 9,200 jobs during the first three years, with more than 18,000 sustainable jobs during the course of construction.

Bonds Will Help:

- Enhance the safety and security of school buildings
- Renovate or upgrade every school
- Guarantee technology equity across all schools
- Provide transparency and confidence through citizen advisory and oversight committees
- Reflect community input while minimizing the burden on taxpayers
- Promote greater public/partnerships

For more information visit, bondsforschools.dadeschools.net



Education Policy: 21st Century Schools Bond Initiative

Benefits of Modernizing School Facilities

On Page 2:

Research Findings

Academic Gains

Jobs & Economy

Property Values

Teacher Retention

Health & Attendance

For research on how students and teachers are affected by deteriorating school facilities, see "The Impact of School Buildings on Learning" (M-DCPS Research Services, Information Capsule Vol. 1204, Aug. 2012).



Alberto M. Carvalho
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Facility Quality Tied to Positive Outcomes

Research Shows Gains in Student Achievement, Residential Home Values

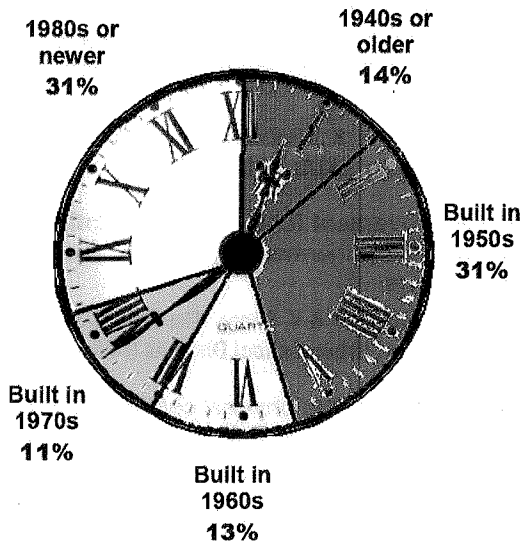
A Miami-Dade school bond referendum on the November ballot, if approved by voters, will have a major impact on upgrading school facilities across the county. Besides the broad economic benefits associated with construction, national research consistently links school building upgrades to measurable, positive impacts on both students and the community. This policy brief summarizes U.S. research in relation to local needs in Miami-Dade.

As illustrated in the graphic below, **58% of all campus buildings are over 40 years old** (built in 1960s or earlier). Aging schools not only face increased repair and maintenance needs but require upgrades to accommodate new instructional technologies and modern educational programs. Voters last approved school construction bonds in 1988, primarily to create new campuses and add buildings to relieve overcrowding. As the 1988 bonds are phased out, the 2008-13 facilities survey identified a backlog of \$1.75 billion in needed repairs and modernization.

The next page cites U.S. research findings that link school facility upgrades to a wide array of impacts, including student attendance and academic gains, teacher job satisfaction and retention, increased residential property values, equity across communities, and reduced negative health issues arising from poorly maintained buildings.

WHEN IS THE "RIGHT TIME" FOR REPAIR, RENOVATION, & MODERNIZATION?

Age of Individual Buildings at 366 Miami-Dade K-12 Campuses



Source: Miami-Dade County Public Schools 2008-2013 Educational Plant Survey (approved May 21, 2008).

The Miami-Dade County School Board proposed a bond issue for \$1.2 billion in school repairs and improvements for public vote on Nov. 6, 2012. Timing was based on the following stated factors:

- **Upgrade technology to 21st Century standards** at hundreds of aging school facilities.
- **Address a large backlog of deficiencies** identified in the long-range building plan.
- **Create jobs in architecture, engineering, and construction** at a time of economic vulnerability, low construction costs, and historically low interest rates.
- **Minimize tax impacts** by phasing in new bonds as the 1988 school bond issue is retired, with an estimated increase per home of \$5 in first year.

Benefits of Modernizing School Facilities

RESEARCH FINDINGS

"The research is conclusive: school facilities have a measurable impact on the achievement of our children.... While factors such as teachers and parental involvement have an indisputable impact on student achievement, well-designed school facilities—the places where our children spend the majority of their waking hours—can significantly bolster whatever human inputs our students receive. On the other hand, poorly designed or maintained buildings threaten to undermine every other effort we may put into our educational system."

Issue Brief: School Facilities and Student Achievement (Center for Innovative School Facilities, 2011)

ACADEMIC GAINS

"In a set of 20 studies analyzed by 21st Century School Fund, all but one study showed a positive correlation between the achievement of students and the condition of the school facility once student demographic factors were controlled for.... **The overwhelming results of these studies show how counterproductive it would be to push for increased student achievement without providing school facilities that integrally support such achievement.**"

G. Cheng, S. English, & M. Filardo, *Facilities: Fairness & Effects* at pp. 3-5 (submission on behalf of 9 organizations to the US Dept. of Educational Excellence & Equity Commission, 2011)

JOBS & ECONOMY

"The research on school building conditions and student outcomes finds a consistent relationship between poor facilities and poor performance: **when school facilities are clean, in good repair, and designed to support high academic standards, there will be higher student achievement, independent of student socioeconomic status.**"

Growth and Disparity: A Decade of US Public School Construction at p. 3 (Building Educ. Success Together, 2006)

"These expenditures will generate economic impacts estimated to sustain 18,436 jobs during the course of the investments....[plus] permanent jobs arising from the improved educational outcomes...."

The Washington Economics Group, Inc., *The Economic Development Impacts of the Proposed General Obligation Bond (GOB) to Miami-Dade County* at pp. 1-2 (analysis commissioned by M-DCPS, Aug. 2012)

PROPERTY VALUES

"We find that school construction had **substantial positive effects on home prices** in affected neighborhoods, and led to increases in the population of families with children attending public schools. **These effects coincided with increases in student reading scores....** A survey...suggests that both physical and motivational changes play an important role."

C. Neilson & S. Zimmerman, *The Effect of School Construction on Test Scores*,

"Our results indicate that...**passing a referendum causes immediate, sizable increases in home prices**, implying a willingness to pay on the part of marginal homebuyers of \$1.50 or more for each \$1 of capital spending. These effects do not appear to be driven by changes in the income or racial composition of homeowners, and the impact on test scores appears to explain only a small portion of the total housing price effect."

S. Cellini, F. Ferreira, & J. Rothstein, *The Value of School Facility Investments: Evidence from a Dynamic Regression Discontinuity Design* at p. 215 (The Quarterly Journal of Economics 2010)

TEACHER RETENTION

"[T]he benefits of facility improvement for [teacher] retention can be equal to or even greater than those from pay increases. Furthermore, a major facilities improvement is likely to be a one-time expense, [and] last for many years...."

J. Buckley, M. Schneider, & Y. Shang, *The Effects of School Facility Quality on Teacher Retention in Urban School Districts* (National Clearinghouse for Educational Facilities, 2004)

"A growing body of research suggests the physical condition of public school facilities and the availability of **resources, including technology, impact teachers' job satisfaction.**"

D. Stallings, *Public School Facilities and Teacher Job Satisfaction* (E. Carolina Univ. 2008)

HEALTH & ATTENDANCE

"Research also indicates that **poor facilities affect the health and productivity (attendance) of teachers** and make retention of teachers difficult (especially for schools with a condition grade of "C" or less).... Another effect of poor school facilities is the **detrimental impact they have on students' basic health.**"

G. Cheng, S. English, & M. Filardo, *Facilities: Fairness & Effects*, *supra* at p. 6.